



**Appropriations Committee  
Public Hearing  
Wednesday, February 19, 2014**

**Cigna Testimony in Opposition to State Innovation Model Improvement Assessment  
Office of Health Care Advocate Budget Proposal**

Cigna appreciates the opportunity to comment on sections 24-26 of SB 21, which implement a new \$3.2 million assessment on insurers and third-party administrators (TPAs) in order to fund 9 permanent full-time and 1.5 durational positions under the Office of the Health Care Advocate as well as other expenses associated with the development and implementation of the state's federal application for a State Innovation Model (SIM) Grant. While we support the goals of the SIM initiative, this proposed new assessment on insurers and TPAs has the potential to double-count those subject to the assessment and increase the cost of providing important health care benefits.

As the bill is written now, the SIM assessment would utilize the same methodology as the childhood immunization vaccine assessment, which permits the same individual to be double-assessed if he or she is serviced by both an insurer and a TPA or by more than one TPA. For example, if an employee has a medical policy and a separate vision policy offered by the same employer but different administrators, he or she will be double-counted if they are serviced by multiple covered entities. As an alternative, we recommend that section 26 of the bill be amended to subject these individuals to a single assessment.

Thank you for your consideration.